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          Attorneys for Defendant CONSECO SENIOR HEALTH INSURANCE COMPANY
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       8
                              UNITED STATES DISTRICT COURT
       9
                        FOR THE NORTHERN DISTRICT OF CALIFORNIA
       10
                                                CASE NO.: C 07-05437 PJH
       11
          PAMELA THOMPSON, Individually )
          and as Personal
       12
          Representative of CHARLES
                                                [Sonoma County Superior Court
                                                Case No. 241544]
          THOMPSON, Deceased,
       13
                                                DEFENDANT'S NOTICE OF MOTION
                     Plaintiff,
       14
                                                AND MOTION FOR AN ORDER
                                                COMPELLING MEET AND CONFER
                VS.
                                                AND/OR ENFORCING SETTLEMENT;
       15
                                                REQUEST FOR SANCTIONS;
          CONSECO SENIOR HEALTH
                                                EVIDENCE IN SUPPORT OF MOTION
          INSURANCE COMPANY, a
       16
          Pennsylvania corporation,
                                                DATE: October 29, 2008
       17
          DOES 1 through XX
                                                TIME: 9:00 a.m.
       18
                                                CTRM: 3
                     Defendant(s).
                                                 [FILED CONCURRENTLY WITH
       19
                                                MOTION TO CHANGE TIME
       20
                                                Assigned to the Honorable
       21
                                                Phyllis J. Hamilton
          TO: THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
          CALIFORNIA AND TO THE INTERESTED PARTIES AND THEIR ATTORNEYS OF
       23
       24
          RECORD:
                Please take notice that on October 29, 2008, at 9:00 a.m. or
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          as soon thereafter as the matter may be heard, in Courtroom 3,
          17th Floor of the above entitled court, located at the U.S.
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DEFENDANT'S NOTICE OF MOTION AND MOTION FOR AN ORDER COMPELLING MEET AND CONFER/ENFORCING SETTLEMENT, ETC.

Law Offices

- 1. compelling plaintiff's attorney to meet and confer with defendant's attorney, to resolve differences which have arisen with respect to the language of the Release and Settlement Agreement, which was provided to plaintiff's attorney, by defendant's attorney, pursuant to the memorandum of settlement prepared at the time of the mediation of this matter on May 29, 2008 and/or:
- 2. enforcing the settlement entered into by the parties in this action, including but not limited to, ordering plaintiff and her attorney to execute the Release and Settlement Agreement provided to plaintiff's attorney, by defendant's attorney, pursuant to the memorandum of settlement prepared at the time of the mediation of this matter on May 29, 2008, with such modifications, if any, as the court deems appropriate, and/or;
- 3. enforcing the settlement entered into by the parties in this action, including but not limited to, entering judgment on the terms of the Release and Settlement Agreement provided to plaintiff's attorney by defendant's attorney, pursuant to the memorandum of settlement prepared at the time of the mediation of this matter on May 29, 2008, with such modifications, if any, as the court deems appropriate, and/or;
- 4. that plaintiff and/or her attorney pay sanctions of \$4,800, or such amount as the court deems appropriate, pursuant to 28 U.S.C. §1927 and/or the authority of the court to award

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sanctions on a motion to enforce a settlement, with respect to their conduct, in necessitating the bringing of this motion. Said motion will be based on this notice, the pleadings, records and documents on file in this action, the evidence presented in support of the motion, as well as such oral and documentary evidence as may be presented at the hearing of the motion. DATED: September 2, 2008 LAW OFFICES OF MARC J. WODIN By _____/s/ Marc J. Wodin MARC J. WODIN Attorneys for Defendant CONSECO SENIOR HEALTH INSURANCE COMPANY

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MEMORANDUM OF POINTS AND AUTHORITIES

I. Introduction

The parties mediated this case at the office of the mediator, and reached a settlement. Common to such a circumstance, where it is not feasible to then and there prepare a formal, written settlement agreement, the parties and their attorneys signed a cursory, five sentence memorandum, which stated essential terms of the settlement, to make the settlement binding, with the express proviso that defendant would prepare a Release and Settlement Agreement, which plaintiff and her attorney would sign.

Defendant thereafter prepared a comprehensive Release and Settlement Agreement - defendant's standard Agreement (defendant's attorney told plaintiff's attorney, at the mediation, that defendant had such an agreement) - modified, in certain respects, for the particulars of the settlement, and with provisions, terms and language, usual and appropriate to such a document; and provided it to plaintiff's attorney, for his consideration.

When plaintiff's attorney wrote, expressing "concern" with the language of two of the provisions, defendant's attorney - again, as is usual to such a circumstance - promptly wrote back that he was happy to consider changes to the language of the Agreement, and requested that plaintiff's attorney call, so that they could do so. Plaintiff's attorney did not respond to that request, or two follow up letters, asking that he call so they could resolve matters related to the language of the Agreement.

Rather, after ignoring the three letters, plaintiff's attorney wrote, taking a new position (inconsistent with his prior position, wherein he only expressed concern about two of the provisions), now asserting that the five sentence memorandum prepared at the mediation, was the settlement agreement, and there could be no formal, comprehensive settlement agreement, setting forth the settlement, comprehensively and in detail, with provisions, terms and language appropriate to such a document.

Defendant's attorney responded, disagreeing with that assertion:

An agreement to settle is interpreted according to the ordinary rules applicable to the interpretation of contracts generally. That means that it will be interpreted to effectuate the intent of the parties, based on the language used, and in consideration of the surrounding circumstances under which it was prepared.

Plaintiff's assertion is contrary to the language of the memorandum, and the circumstances under which it was prepared, and is unreasonable.

The memorandum says that defendant will provide a Release and Settlement Agreement. Further, it does not say that the Agreement will be limited to a literal recitation of the five sentences in the memorandum. In fact, it does not place any specific limitation on the provisions, terms and language of the Agreement. Further, it is reasonable that such a document would include provisions, terms and language usual and appropriate to such a document.

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Further, the circumstances under which the memorandum was prepared are consistent with such an interpretation, and inconsistent with plaintiff's assertion. The memorandum was prepared at a mediation, where it was not feasible to then and there prepare a formal written settlement agreement, with essential terms stated in cursory form, signed by the parties to make the settlement binding, with an express proviso that the defendant would thereafter provide the formal Release and Settlement Agreement, which plaintiff and her attorney would sign.

Defendant's attorney requested for the fourth time, that they meet and confer in an attempt to resolve differences over the language of the Release and Settlement Agreement. Once again, plaintiff's attorney ignored the request.

This court has the authority to 1. order plaintiff's attorney to meet and confer over the language of the Release and Settlement Agreement provided by defendant's attorney; 2. enforce the settlement, by ordering plaintiff and her attorney to sign a Release and Settlement Agreement, as called for in the memorandum, with any modifications which the court deems appropriate; 3. enforce the settlement, by entering judgment pursuant to the terms of such Release and Settlement Agreement.

It is appropriate, in this case, that the court issue such orders.

Further, this court has authority to order plaintiff, and her attorney, to pay sanctions, based on their conduct in necessitating the bring of this motion. It is reasonable and

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appropriate to order such sanctions in this case.

II. There Is Good Cause For This Court To:

- (1) Order Plaintiff's Attorney To Meet And Confer With Defendant's Attorney On The Language of The Release And Settlement Agreement Provided by Defendant's Attorney And/Or;
- (2) Enforce The Settlement By Ordering Plaintiff And Her Attorney To Execute The Release And Settlement Agreement, With Such Modifications, If Any, As The Court Deems Appropriate And/Or;
- (3) Enforce The Settlement By Entering Judgment Pursuant To
 The Terms Of Such Release And Settlement Agreement

1. Applicable Law

This court can order parties to meet and confer - meaning "to communicate <u>directly</u> and <u>discuss in good faith"</u> - on any matter which is the subject of a motion pending before the court. Ray v. Bluehippo Funding, L.L.C. 2008 WL 3399392 (N.D.Cal.) at p.3 <u>Jones v. Bayer Corp.</u> 2004 WL 2445235 (N.D.Cal.) at p.1

This court has the inherent power, on motion, to enforce a settlement entered into between the parties to an action pending before it. Further, public policy favors the enforcement of settlements. City Equities Anaheim, Ltd v. Lincoln Plaza Development Co. 22 F. 3d 954, 958 (9th Cir. 1994)

"It is now well established that the trial court has power to summarily enforce on motion a settlement agreement entered into by the litigants in which the litigation is pending before it. . This circuit also

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recognizes a trial court's inherent enforcement power.

. The practice of summary enforcement evolved for two reasons. First is the 'high judicial favor' accorded the voluntary settlement of disputes. . . Second is the efficiency of having one court see litigation through to its conclusion, thereby avoiding duplication of effort." ¹

The enforcement and construction of settlement agreements is "governed by principles of contract law" which "apply to contracts generally. . . A settlement agreement is treated as any other contract for purposes of interpretation." <u>United Commercial Insurance Services v. Paymaster Corp</u> 962 F.2d 853, 856(9th Cir. 1992); <u>Hermetic Order of the Golden Dawn, Inc. v, Griffin</u> 2008 WL2923403 (N.D.Cal.) at p. 2 (citing California state law)

In that regard "the intent of the parties determines the meaning of the contract," which is the "objective" intent as "manifested [1] in the agreement and [2] by surrounding conduct." Id. (again, citing California state law)

Consistent with these principles, the court can enforce an out of court settlement, entered into by the parties, as expressed in a written document or documents. City Equities

Anaheim, Ltd. v. Lincoln Plaza Development Co., supra, pp. 956-958 (holding that a "memorandum agreement" which set forth

"material" terms of a settlement, showed an "agreement" and

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That is also true under California law. See, e.g. <u>Gregory v. Hamilton</u> (1978) 219 Cal.App. 3d 1527 (affirming order enforcing settlement on equitable motion seeking such enforcement)

"intent to be bound" and was enforceable. 2 3 4

It is common for a settlement to be reached under circumstances where essential terms are stated, in cursory form, with a proviso that a written settlement agreement will be prepared at a later time, usually by the defendant (which is seeking to "buy its peace," and wants and reasonably needs a

 3 This is likewise true under California law. Assemi v. Assemi (1994) 7 Cal. 4^{th} 896, 905 (noting that, pursuant to Code of Civil Procedure Section 664.6, "the trial court may enter judgment pursuant to a stipulated settlement, if the stipulation is made. . . in a writing signed by the parties outside the presence of the court.")

(As discussed hereinafter, the memorandum says that the settlement is enforceable under this section. That doesn't mean that it must be enforced under this section. It doesn't say that the settlement can only be enforced under this section, and California law holds that the section, even where it is available, is not exclusive. Kirpatrick v. Beebe (1990) 219 Cal.App.3d 1527, 1529 ("Nothing in the language of section 664.6, suggests it was intended to be exclusive."))

⁴ The fact that there are disputed issues related to the existence or terms of the settlement does not prevent the court from enforcing it. The court can, if it deems it appropriate, conduct an "evidentiary hearing" to determine "whether an agreement existed, or what its terms were" <u>Doi v. Halekulani</u> <u>Corp.</u>, 276 F. 3d 1131, 1139 (9th Cir.) That is also true under California law. <u>Assemi v. Assemi</u>, supra, p. 905

² See also: <u>Calcor Space Facility</u>, <u>Inc. v. McDonnell Douglas Corp.</u> 5 Fed Appx. 787,789 (9th Cir. 2001) (holding that a written "memorandum," which was "signed" by the parties, setting forth "material" terms of the settlement showed that there was a "mutual intent to be bound," and thus an enforceable settlement); <u>Bright Beginnings</u>, <u>Inc. v. Care Comm</u>, <u>Inc.</u> 78 F.3d 592 (9th Cir. 1996) at pp. 1-4 (holding that written "memoranda" exchanged between attorneys for the parties showed "an objective intent to be bound" and thus "the existence of a negotiated agreement" which was enforceable); <u>Dierickx v. Allstate Ins. Co.</u> 15 F. 3d 1084 (9th Cir. 1994), at pp. 2-6 (holding that an "exchange of faxes" between counsel for the parties, which set forth "essential terms" showed "mutuality of intent" necessary for a "binding" agreement, and was enforceable)

formal agreement, with provisions, terms and language which will reasonably accomplish that purpose, to its satisfaction). In such circumstances, if the plaintiff or her attorney then fail or refuse to sign such a written agreement, the court can enforce the settlement by ordering them to do so. Schiff v. City and County of San Francisco 2007 WL 2301773 (N.D. Cal., at pp. 3-5) (ordering plaintiff's attorney to sign a written settlement agreement provided by the defendant, where settlement terms were cursorily stated on the record, with a proviso that there would be a "written settlement agreement" provided thereafter by the defendant, such a settlement agreement was thereafter drafted by the defendant's attorney and provided to plaintiff's attorney who "refused to sign the written agreement."); Armstong v. City and County of San Francisco 2004 WL 2713068 at p. 4 (same - ordering plaintiff to sign)

Alternatively, the court can enter judgment on the terms of the written agreement agreement. Doi v. Halekulani Corp., supra, pp. 1134-1135, 1137, 1139-1140 (ordering judgment entered pursuant to the terms of a written settlement, where settlement terms were cursorily stated on the record, with again, with a proviso that there would be a "written settlement agreement" provided thereafter by the defendant, and defendant's attorney provided a "standard" settlement agreement which plaintiff "refused to sign.")

2. Discussion: Plaintiff's Refusal And Failure To Carry Out
The Terms Of The Settlement, By Obstructing The Completion Of The
Release And Settlement Agreement Called For In The Memorandum

Prepared At The Mediation, And Refusal To Meet And Confer On The Language Of The Agreement

When a settlement is reached at a mediation, it is often not feasible to then and there prepare a comprehensive settlement agreement. To make the settlement binding, the parties and their attorneys often sign a brief memorandum, setting forth essential terms, in cursory, bullet point, form, with a proviso that a settlement agreement - the formal document with the provisions, terms and language appropriate to such - will be prepared thereafter, usually by the defendant, which is seeking to "buy its peace," and reasonably wants provisions, terms and language, which will accomplish that purpose, to its satisfaction. In such circumstances, it is common defendant's attorney to provide a proposed agreement to the plaintiff's attorney, and for the attorneys to meet and confer to resolve any differences that may arise on the language. (Wodin Dec.)

This case was mediated, on May 29, 2008, by the parties and their attorneys, before a private mediator, at the mediator's office. A settlement was reached. (Exs. 1-3; Wodin Dec.)⁵

It not being feasible to then and there prepare a formal written settlement agreement, with all of the language appropriate to such, a cursory (five sentence), bullet point, memorandum, stating essential terms, was prepared and signed by

⁵ The matter was ordered to mediation, and an attorney, Mr. Koeppel, was assigned as the mediator. The mediation proceeded on May 29, 2008, at Mr. Koeppel's office, with plaintiff, her attorney Michael Guta, Steven Huffer as a representative of defendant, and defendant's attorney Marc J. Wodin, present. The parties reached a settlement at the mediation.

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the parties and their attorneys, to make the settlement binding, with an express proviso therein that defendant would thereafter provide a Release and Settlement Agreement, which the plaintiff and her attorney would sign. (Ex. 3; Wodin Dec.)⁶

Defendant's attorney told plaintiff's attorney, at the mediation, that defendant had a standard Release and Settlement Agreement, which would be provided. (Wodin Dec.)

The mediator certified to the court that the case was settled, and the court dismissed the case, without prejudice to the dismissal being vacated, and the case restored to the trial calendar, if either party certified that agreed upon consideration was not provided. (Exs. 4-5; Wodin Dec.)

On June 16, 2008, defendant's attorney provided plaintiff's attorney with a comprehensive Release and Settlement Agreement ("the Agreement") - defendant's standard Agreement, modified in certain respects for the particularities of the settlement, with provisions, terms and language, stated with particularity, usual

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 $^{^{6}}$ The memorandum has the word "Thompson" at the top, and states:

[&]quot;Defendant will pay plaintiff and her attorneys \$17,500. Plaintiff will dismiss the entire action with prejudice. There will be no further claims made under the policy.

Plaintiff and her attorneys will execute a release and lement agreement provided by defendant which will include

settlement agreement provided by defendant which will include a provision for confidentiality.

The settlement is enforceable pursuant to CCP \$664.6."

⁷ after the process was delayed, for several weeks, by the failure of plaintiff's attorney to respond to telephonic requests from defendant's attorney for a information as to how the settlement check was to made payable, to be included in the Agreement, which information was finally received on June 16, 2008. (Wodin Dec.)

and appropriate to such a document 8 - and a Dismissal. (Ex. 6; Wodin Dec.)

On June 20, 2008, plaintiff's attorney wrote that he had "concerns" with the language of two of the provisions (a provision which provided for liquidated damages in the event of breach of the confidentiality provision, and a venue provision). (Ex. 7; Wodin Dec.)

Defendant's attorney promptly faxed a letter to plaintiff's attorney, saying that he was "happy" to consider <u>any</u> "changes" plaintiff's attorney wanted to make in language, and requesting, that plaintiff's attorney "please call" so that they could

* e.g., the identification of the document, the parties, the action, and statement of the fact of settlement; the amount of payment to be made by and who it would be made to; a timetable for plaintiff to provide the executed Agreement and Dismissal, and for defendant to make payment; that defendant was not responsible for paying any other sums; that defendant was not be responsible to taxing authorities for any tax liability incurred by plaintiff related to the payment; that no further benefits would be paid under the policy; the terms of release; that plaintiff would dismiss the action with prejudice; plaintiff's authority to file the action and dismiss it; that the settlement was not an admission of liability; that plaintiff was not entering into the settlement based on any representation of defendant; that plaintiff was over the age of 18, had read the

Agreement, and was acting after securing the advice of counsel; that if any part of the Agreement was held to be invalid, it would not effect the remaining portions; confidentiality of the

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settlement and facts and circumstances of the action; venue; that this was the entire agreement; that the parties would do such

acts as might reasonably be required to carry out the Agreement; that each party and their attorneys had reviewed the Agreement,

Agreement could not be modified except in writing signed by the

and the rule of ambiguities was not applicable; that the

parties; that the Agreement could be executed in parts.

discuss them (Ex. 8; Wodin Dec.) 9 10

Plaintiff's attorney did not respond. (Wodin Dec.)

On June 27, 2008, defendant's attorney faxed a second, follow up, letter to plaintiff's attorney, noting that he had not heard from him, and stressing that they needed to resolve matters related to the language of the release. (Ex. 9; Wodin Dec.) 11

Plaintiff's attorney did not respond to this letter, either. (Wodin Dec.)

After waiting another week, defendant's attorney, on July 3, 2008, faxed a third letter, again noting that he had not received a response, and again asking plaintiff's attorney contract him,

In his letter of June 20, 2008, plaintiff's attorney said that it was his understanding that the settlement check would be received within 2 weeks of the mediation, and complained that it had not been provided. (Ex.7; Wodin Dec.)

In his responsive letter of June 20, 2008, defendant's attorney reminded plaintiff's that what he was told, at the mediation, was that the check could be provided within a few weeks of his providing the executed Agreement and Dismissal. Further, it was plaintiff's attorney who had caused a delay, by failing to provide requested information concerning the payee on the settlement check, which delayed completion of the Agreement. (Ex. 8; Wodin Dec.)

¹¹ "I have not heard back from you in response to my letter of June 20. We need to resolve matter related to the release language.

^{9 &}quot;If there are provisions of the release which you wish to have changed, as seems to be the case, then please call me, and I will be happy to discuss them with you. You mention some things in your letter. However, I cannot tell whether those are the only things you have a question about, and it makes no sense to do this on a piecemeal basis."

¹⁰ At the mediation, plaintiff's attorney asked when the settlement check could be provided. Defendant's attorney told him that it was anticipated that the check could be provided within several weeks of his receipt of the executed Agreement and the Dismissal. (Wodin Dec.)

so they could resolve issues related to the release language. (Ex. 10; Wodin Dec.) 12

Once again, plaintiff's attorney did not respond. (Wodin Dec.)

Rather, eleven days later, plaintiff's attorney wrote, asserting a new position (inconsistent with the position expressed in prior letter, that he only had a concern about two of the provisions of the Agreement). He now asserted:

- 1. that the five sentence memorandum prepared at the mediation was the settlement agreement, and that document, with those five sentences all that could be said, to express the terms of settlement there could be no comprehensive settlement agreement with provisions, terms and language, such as were contained in the Release and Agreement provided by defendant's attorney.
- 2. The only additional thing to be done, according to plaintiff's attorney, was to physically affix to the five sentence memorandum, several sentences of language concerning release and confidentiality, as demanded and phrased by him. (Ex. 11; Wodin Dec.)¹³

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^{12 &}quot;I have now written two letters to you concerning resolving issues related to the release, to which I have received no response. I have the settlement check. Again, please contact me so we can resolve these issues."

¹³ As discussed hereinafter, the Agreement provided by defendant's attorney contained language of release, which set forth, with particularity, the releasee, the releasor, and the matters released. Plaintiff's attorney demanded that the language of release consist of a sentence, which said something about some unidentified releasor being released from some vague and

On July 17, 2008, defendant's attorney faxed a letter to plaintiff's attorney, expressing disagreement with his assertions:

- 1. Agreements for settlement are interpreted under the rules applicable to contracts generally, one of which is that they are interpreted to express the mutual intent of the parties, which is determined from an objective consideration of the language of the document and the circumstances under which it was prepared.
- 2. The reasonable interpretation of the language of the memorandum, and consideration of the circumstances under which it was prepared, is consistent with the preparation of comprehensive Release and Settlement Agreement, with provisions, terms and language appropriate to such a document:

The parties reached a settlement at a private mediation. It was not feasible to then and there prepare a comprehensive, formal agreement. Common to such a circumstance, a cursory, bullet point memorandum was prepared, and signed by the parties, to make the settlement binding, with an express proviso that defendant would thereafter provide a Release and Settlement Agreement. It is reasonable that the Release and Settlement Agreement would include provisions, terms and language

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unspecified matters related to a misidentified insurance policy.

Likewise, the Agreement contained language of
confidentiality, which set forth, with particularity, what was
encompassed as being confidential, and who and under what
circumstances confidential matters could and could not be
disclosed. Plaintiff's attorney demanded that the that language
of confidentiality consist of one sentence, which said that the
terms of settlement were confidential.

- 3. His assertion that the five sentence memorandum was the Agreement is contrary to the language of the memorandum. The memorandum doesn't say that it was the Release and Settlement Agreement. It says defendant would be providing a Release and Settlement Agreement.
- 4. Further, the memorandum does not say that the Agreement could only consist of a literal recitation of the five, bullet point sentences, set forth in the memorandum. In fact, it doesn't place any limitations on the provisions, terms or language of the Agreement, other than to say that it will contain a provision for confidentiality.
- 5. For the same reasons set forth in 2, above, his assertion that the five sentence memorandum was the Agreement, and that the Agreement cannot contain anything other than a literal recitation of the five, bullet point sentences, set forth in the memorandum, is inconsistent with a consideration of the circumstances under which the memorandum was prepared.
- 6. His assertion was inconsistent with his own prior letter, wherein he said that he only had a problem with the language of two of the provisions of the Agreement.
- 7. The memorandum said that defendant would provide language of Release. The Agreement contained language of release, which

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set forth, with particularity, the releasee, the releasor, and the matters released. Defendant has the right to have language of release which was full, complete, and reasonable. Plaintiff's demand that the language of release consist of a single sentence of release, which says something about some unidentified releasor being released from some unspecified matters related to a misidentified insurance policy, was vague, incomplete, and essentially meaningless. 15

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14 "3. As consideration for the payment of the sums specified in paragraph 1, Plaintiff does hereby release, acquit and forever discharge the Released Parties, of and from any and all claims, demands, disputes, losses, or causes of action, known or unknown, foreseen or unforeseen, in law or in equity, which the Plaintiff has, has ever had, may ever have, or which may hereafter accrue or be acquired, against the Released Parties, relating to or concerning the Policy, and any claims which were or could have been asserted in the Action. Plaintiff further covenants and agrees that neither she nor anyone authorized to act on her behalf will commence, authorize, or accept any benefit from any judicial or administrative action or proceeding, other than as expressly provided for in this Agreement, against the Released Parties, or any of them, in either their personal or corporate capacity, with respect to any claim, matter, or issue that in any way arises from, is based on, or relates to any alleged loss, harm, or damages allegedly caused by the Released Parties, or any of them, in connection with the released claims referenced in this paragraph and paragraph 5 of this Agreement."

"4. The release and covenant not to sue set forth in paragraph 3 above specifically includes, but is not in any way limited to: (a) any and all claims against the Released Parties on account of, arising out of, or in any way relating to the Policy; (b) any and all claims against the Released Parties on account of, arising out of, or in any way relating to the Action; (c) any damages which were or could have been claimed in the Action including, but not limited, any extra-contractual damages suffered at any time by reason of any of the conduct alleged in the Action, or the continued effects thereof, or as referenced in (a) and (b) of this paragraph."

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¹⁵ "Releasor Pamela Thompson acknowledges and agrees that this release applies to all claims that Releasor may have against

8. The memorandum said that defendant would provide a provision for confidentiality. Defendant has the right to have language of confidentiality which was full, complete, and reasonable. The Agreement provided by defendant contains language of confidentiality, which set forth, with particularity, the what is encompassed as being confidential, and who and under what circumstances confidential matters could and could not be disclosed. The single sentence of confidentiality demanded by

Releasee [nowhere defined] arising out of Transport Life Insurance company Policy of Insurance No. 1101-CA [which is not a correct identification of the subject policy] for injuries, damages, or losses to Releasor's personal and property, real or personal [whatever that means], whether those injuries, damages or losses are known or unknown, foreseen or unforeseen, or patent or latent [whatever that means]."

16 "16. Plaintiff and her attorneys in the Action agree that the terms of this Agreement (including but not limited to the amount of the payment recited herein and the basis on which said payments are computed), the nature and circumstances of the dispute between the parties, and the factual background of the Action, are confidential. Plaintiff and her attorneys in the Action further understand and agree that while each may state that a settlement has been reached, except as provided in this paragraph, they may not disclose confidential information, to third parties, orally or in writing.

Confidential information shall not be disclosed, revealed, or divulged, by plaintiff or her attorneys, to any person, firm, corporation, news media, or to any other entity whatsoever, with the following exceptions, and then only to the extent reasonably necessary: (a) to governmental taxing authorities; (b) to plaintiff's and her attorneys' accountants and tax preparers; (c) when required by order or a court of competent jurisdiction or otherwise compelled by law, or; (d) with the prior written consent of all parties.

No party or their attorneys shall categorize this Agreement or the outcome of the Action as a victory for themselves, or a defeat of the other party, or suggest that this Agreement, or the terms thereof, constitute something other than the settlement of a dispute without an admission or finding of liability on the part of either party.

plaintiff's attorney - that the terms of the settlement are confidential, is even more vague, incomplete, and meaningless than his demanded language of release ¹⁷ It doesn't even say what confidentiality is, or means - i.e. that confidential information cannot be disclosed. It doesn't encompass plaintiff's attorney. Further, it doesn't encompass the facts and circumstances of the case. ¹⁸ (Ex. 12; Wodin Dec.)

Defendant's attorney concluded the letter requesting, for the fourth time, that they meet and confer in an attempt to resolve these issues. $(Ex.12; Wodin Dec.)^{19}$

Once again, plaintiff's attorney ignored the request. (Wodin Dec.)

Accordingly, on August 4, 2008, defendant filed a Certification that plaintiff had not delivered agreed upon consideration for the settlement, and requested that the dismissal be vacated, and the action be restored to the calendar. On August 11, 2008, the court issued an order vacating the dismissal, and setting a status conference. (Exs. 13-14; Wodin

The promises of confidentiality as provided in this paragraph are material inducements to Defendant to enter into this Agreement and are of the essence of this Agreement."

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 $^{^{17}}$ "The parties agree that the terms of the settlement are confidential."

¹⁸ Defendant's attorney told plaintiff's attorney, at the mediation, that confidentiality would encompass the settlement and the facts and circumstances of the action. (Wodin Dec.)

¹⁹ "I continue to be open to discussing modification of the release and settlement agreement which I provided to you, if you have some problem with the specific language therein."

Dec.)

1. This court should order plaintiff's attorney to meet and confer - meaning to communicate directly and discuss in good faith - on the language of the Release and Settlement Agreement as provided by defendant's attorney.

The memorandum signed by plaintiff and her attorney says that defendant would provide a Release and Settlement Agreement, which plaintiff and her attorney would sign. Defendant's attorney provided such a document to plaintiff's attorney, and offered, four times, to meet and confer with plaintiff's attorney with regard to any problems he has with the language of that document. He has refused to do so. He should be ordered to do so.

2. Additionally, or in the alternative, this court should enforce the settlement, by ordering plaintiff and her attorney to sign the Release and Settlement Agreement provided by defendant's attorney, with any modifications the court deems appropriate, and/or enter judgment under the terms of such Release and Settlement Agreement.

An agreement to settle is interpreted according to the principles applicable to contracts generally, which means that the court will seek to effectuate the intent of the parties, based on a consideration of the language of the agreement and the surrounding.

The parties mediated this case at the office of the mediator and reached a settlement. It was not feasible to then and there prepare a formal, written settlement agreement, and the parties and their attorneys signed a cursory, five sentence memorandum,

which stated essential terms of settlement, to make the settlement binding, with the express proviso that defendant would prepare a Release and Settlement Agreement, which plaintiff and her attorney would sign.

Defendant's attorney told plaintiff's attorney that defendant had a standard agreement, and thereafter provided him with such an agreement, modified, in certain respects, for the particulars of the settlement, and with provisions, terms and language usual and appropriate to such a document.

When plaintiff's attorney wrote, questioning the language of two of the provisions, defendant's attorney wrote back that he was happy to consider changes to the Agreement, and requested that he call, so that they could discuss the matter. Plaintiff's attorney did not respond to that request, and two follow up requests.

Rather, he then took the position (inconsistent with his prior position, wherein he only expressed concern about two of the provisions) that the five sentence memorandum, was the settlement agreement, and there could be no settlement agreement prepared, stating the terms of settlement, in comprehensive detail, with provisions, terms and language appropriate to such a document.

Plaintiff's position concerning language of release and confidentiality is also unreasonable. The memorandum says that defendant would provide a "Release" and Settlement Agreement which would include a provision for confidentiality. The Agreement provided by defendant's attorney included detailed,

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comprehensive language related to each of these things.

Plaintiff's attorney - who has, again, refused to even meet and confer on this language - demanded that release and confidentiality each be covered by single sentences, which are vague, incomplete, and essentially meaningless.

III. Sanctions Should Be Imposed On Plaintiff's Attorney And/Or Plaintiff For Their Conduct In Necessitating This Motion.

28 U.S.C.§1927 "allows a district court to award excess costs and attorney's fees reasonably incurred due to the unreasonable and vexatious multiplication of the proceedings by an attorney."

Such sanctions are properly awarded where an attorney engages in "obstructive conduct" or acts in "bad faith," requiring the bringing of a motion to enforce a settlement.

Bright Beginnings, Inc. v. Care Comm, Inc. supra, p. at p. 4. See also Hubbard v. Yardagte Town, Inc. 2006 WL 1369085 (S.D.Cal. 2006) at p. 3

In the present case, plaintiff and her attorney - but particularly her attorney - have engaged in a pattern of "obstructive" and "bad faith" conduct which merits the imposition of such sanctions:

- refusing four written requests from defendant's attorney to meet and confer to resolve any differences over language of the Release and Settlement Agreement, provided to plaintiff's attorney by defendant's attorney, pursuant to the memorandum of settlement prepared at the time of the mediation, and;

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1	- asserting, contrary to the language of the memorandum, and
2	the circumstances under which it was prepared, that the five
3	sentence memorandum, prepared at the mediation, is the settlement
4	agreement, and there can not be a comprehensive Release and
5	Settlement Agreement.
6	Further, the court otherwise has authority to order a
7	plaintiff, and/or the plaintiff's attorney, to pay sanctions,
8	for conduct which necessitates the defendant bringing a motion to
9	enforce a settlement. <u>Doi v. Halekulani Corp</u> ., supra, p. 1140-
10	1141; <u>TNT Marketing</u> , <u>Inc. v. Agresti</u> 796 F. 2d 276, 279 p. 278-
11	279 (9 th Cir. 1986). See also <u>Grinzi v. Barnes</u> 2005 WL 3434871
12	(N.D.Cal.); Alden v. University of San Diego 967 F. 2d 583 (9th
13	Cir. 1992)
14	Defendant's attorney bills at the rate of \$160/hour on this
15	matter, and spent 25 hours preparing this motion. He anticipates
16	that 5 hours will be spent traveling to court for the hearing on
17	this motion. (Wodin Dec.)
18	DATED: September 2, 2008 LAW OFFICES OF MARC J. WODIN
19	
20	By <u>/s/Marc J. Wodin</u> MARC J. WODIN
21	Attorneys for Defendant CONSECO SENIOR HEALTH INSURANCE COMPANY
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